

Date Mailed April 17, 1998

BEFORE THE

PUBLIC SERVICE COMMISSION OF WISCONSIN

Application of the Wisconsin Power and Light
Company, as an Electric, Water and Natural Gas
Public Utility, to Change Electric, Water and
Natural Gas Rates

6680-UR-110

NOTICE OF HEARING ON LIMITED REOPENING

Hearing Date:	May 21, 1998, 10:00 a.m.
Hearing Location:	Public Service Commission, 610 North Whitney Way, Madison, Wisconsin

On April 29, 1997, the Public Service Commission of Wisconsin (Commission) issued an order in docket 6680-UR-110 authorizing a rate decrease of \$10,590,000, annually, for Wisconsin retail electric operations of the Wisconsin Power and Light Company (WP&L). That order established an average fuel cost of \$0.01199 per net kWh for the test year. The order reinstated the monitoring of fuel costs for WP&L. The Commission had temporarily suspended such monitoring in the utility's previous rate case in docket 6680-UR-109. The order also established variance ranges for monitoring WP&L's fuel costs pursuant to ch. PSC 116, Wis. Adm. Code. The appropriate variance ranges are: 1) for the annual range, plus or minus 3 percent; 2) for the monthly range, plus or minus 10 percent; and 3) for the cumulative ranges, plus or minus 10 percent for the first month, plus or minus 6 percent for the second month, and plus or minus 3 percent for the remaining months of the calendar year.

On December 3, 1997, WP&L requested an increase in rates for electric service due to an emergency increase in fuel costs. After further review and consideration, WP&L withdrew that request.

On March 13, 1998, WP&L filed another application with the Commission under s. PSC 116.06, Wis. Adm. Code, for an increase in rates for electric service due to an emergency increase in fuel costs. In its application, WP&L noted that, based on actual data from January 1, 1998 through February 28, 1998, the utility experienced cumulative fuel costs approximately 29 percent in excess of the amount established in docket 6680-UR-110. Based on that actual data and estimates for

the remainder of 1998, WP&L has forecasted a \$28.1 million or 18.55 percent under-recovery of fuel costs for the test year.

Pursuant to ss. PSC 116.03(1) and 116.06, Wis. Adm. Code, an emergency rate increase can be granted only if the utility's monthly fuel costs exceed the ranges set in its rate proceeding, the annual fuel costs will be affected so as to exceed the annual range, and the increase in fuel costs was caused suddenly by forces beyond the utility's control or reasonable foresight.

All testimony and exhibits must be prefiled with the Commission and the service lists by noon on May 11, 1998. Rebuttal testimony must be prefiled with the Commission and the service lists by noon on May 18, 1998. Copies of WP&L's application and prefiled testimony and exhibits may be obtained by written request to WP&L at its offices at Wisconsin Power and Light Company, 222 West Washington Avenue, P.O. Box 192, Madison, Wisconsin 53701-0192.

This is a Type III action under s. PSC 4.10 (3), Wis. Adm. Code. No unusual circumstances suggesting the likelihood of significant environmental consequences have come to the Commission's attention. Neither an environmental impact statement under s. 1.11, Stats., nor an environmental assessment is required.

NOTICE IS GIVEN that this matter is deemed to be a Class 1 proceeding as defined in s. 227.01(3)(a), Stats.

NOTICE IS FURTHER GIVEN that a hearing to determine the need for and amount of a surcharge will be held on May 21, 1998, at 10:00 a.m., in the Amnicon Falls Hearing Room at the Public Service Commission Office Building, 610 North Whitney Way, Madison, Wisconsin. This building is accessible to people in wheelchairs through the Whitney Way first floor (lobby) entrance. Parking for people with disabilities is available on the south side of the building. Any person with a disability who needs additional accommodations should contact Richard Teslaw at (608) 267-9766.

Anyone having questions regarding the hearing schedule in this notice may call Donna Paske, Hearing Examiner, at (608) 266-7173.

Docket 6680-UR-110

Anyone having other questions regarding this matter, may contact Tim O'Brien, Electric Division, at (608) 267-9509 or email at obriet@psc.state.wi.us.

Dated at Madison, Wisconsin, _____

For the Commission.

Susan E. Stratton
Administrator
Electric Division

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